

## MINUTES OF SPECIAL JOINT MEETING OF THE CITY COUNCIL/REDEVELOPMENT AGENCY OF THE CITY OF HAYWARD

City Council Chambers 777 B Street, Hayward, CA 94541 Tuesday, March 16, 2004, 8:00 p.m.

### **MEETING**

The Special Joint Meeting of the City Council/Redevelopment Agency was called to order by Mayor/Chair Cooper at 8:00 p.m., followed by the Pledge of Allegiance led by Council/RA Member Jimenez.

### **ROLL CALL**

Present: COUNCIL/RA MEMBERS Jimenez, Hilson,

Rodriguez, Ward, Dowling, Henson

MAYOR/CHAIR Cooper

Absent: None

**PRESENTATION:** Pride in Hayward Award

The March 2004 Pride in Hayward Award was presented to the following Glen Eden residents: Yasuhiko Nozawa; Frank and Margaret Quan; Robert and Paula Plevin; Wylder and Barbara Davis; and Charles and Dorothy Pereira. In presenting the award, the Mayor thanked each of them for taking pride in their homes and in the City of Hayward.

#### **PUBLIC COMMENTS**

Frank Goulart announced a fundraiser for the Tennyson High School jazz band to play in Washington D.C. The fundraiser will be on Saturday, March 20, beginning with a car show at 10 a.m., the performance of Blue Knights at 10 a.m. and 3 p.m., and an all-alumni band performing at 1 p.m. He also reported that former band students, including him plan to perform as well.

Stephania Widger expressed her concerns in driving up Kelly Hill. She asked whether there was any truth to a rumor that the developer had to construct an access road. Additionally, she commented that placing a parking structure behind Longs Drugs would cause more traffic issues.

Mayor Cooper asked staff to respond to her question. City Manager Armas reported that there is neither plans for an access road to the housing development nor any additional lanes in that vicinity.

Barbara Heringer-Swarr commented on the article in the newspaper regarding the Blake-Hunter Venture presentation to the Rotarians. She also expressed her concerns on the Redevelopment Agency.

Jason Moreno submitted a card but did not speak.

Council Member Jimenez announced that Hayward High School will compete in an upcoming basketball championship and the team should be congratulated.

#### CONSENT

Item 2 was removed for further discussion.

1. Approval of Minutes of the Special Joint City Council/Redevelopment Agency Meeting of March 9, 2004

It was moved by Council/RA Member Henson, seconded by Council/RA Member Hilson, and unanimously carried to approve the Special Joint City Council/Redevelopment Agency Meeting of March 9, 2004

2. Adoption of an Ordinance Amending Certain Time Limitations with Respect to the Redevelopment Plan for the Downtown Redevelopment Project

Staff report submitted by City Clerk Reyes, dated March 16, 2004, was filed

Barbara Heringer-Swarr asked about the purpose of this action and expressed her concerns about this issue.

City Manager/Executive Director Armas characterized this as the City and the Redevelopment Agency keeping local dollars in our community for local purposes.

It was moved by Council/RA Member Ward, seconded by Council/RA Member Hilson, and unanimously carried to adopt the following:

Ordinance 04-03, "An Ordinance of the City of Hayward, California, Amending Certain Time Limitations with Respect to the Redevelopment Plan for the Downtown Redevelopment Project"

3. Authorization for the City Manager to Execute an Agreement for Analysis of Roads and Drainage within the Old Hayward Highlands Area (OHHA)

Staff report submitted by Development Review Engineer Gaber, dated March 16, 2004, was filed.

It was moved by Council Member Henson, seconded by Council Member Hilson, and unanimously carried to adopt the following:

Resolution 04-032, "Resolution Authorizing the City Manager to Execute an Agreement with McGill Martin Self, Inc. for an Analysis of the Old Hayward Highlands Area"

4. Amendments to Watry Design Contract for Municipal Parking Structure

Staff report submitted by Redevelopment Director Bartlett, dated March 16, 2004, was filed.



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It was moved by Council/RA Member Henson, seconded by Council/RA Member Hilson, and unanimously carried to adopt the following:

RA Resolution 04-03, "Resolution Authorizing the Executive Director to Execute an Amendment to the Contract with Watry Design, Inc. Relating to the Municipal Parking Structure"

RA Resolution 04-04, "Resolution Amending Resolution RA 03-11, as Amended, the Redevelopment Budget Resolution for Fiscal Year 2003-2004, Relating to an Appropriation of Funds from the Agency Fund Balance to the Municipal Lot Two Project"

#### **HEARINGS**

5. Resolution Reaffirming Support of the Living Wage Ordinance

Staff report submitted by City Manager Armas, dated March 16, 2004, was filed.

Mayor Cooper opened the public hearing at 8:22 p.m.

Francisca Amaral translated what was said by a former Cintas employee. She noted that having worked for Cintas for 12 years and she was never informed of the living wage law in Hayward. She stated her experience with the company and noted that, due to an injury on the job, she no longer works there. She said she had no health benefits and is not receiving anything from the company. She thanked the City for its efforts on behalf of the workers at Cintas.

Julian Fuentes via translation stated in Spanish that he has worked for the past two years for Cintas and was also never made aware of the living wage. He said he has worked for wages below the living wage and finds it rather difficult to live on this wage and pay his own health benefit. He thanked Hayward for its action.

Jason Oringer spoke for UNITE, the organization coordinating the unionization of the workers at the Cintas plant. He informed Council that ten workers from Whittier working for Cintas, which has the contract for Los Angeles Water and Power, another agency with a Living Wage Ordinance, have joined the lawsuit as well. He then responded to questions from Mayor Cooper.

Mayor Cooper closed the public hearing at 8:33 p.m.

Council Member Hilson spoke regarding the history of the legislation and how effective it has become. He stated that the governments in Sacramento and Washington, D. C., should work toward increasing

the minimum wage to make it more effective for workers trying to support themselves and their families. He said in his experience, the Bay Area and many other places, the wages are not commensurate with the cost of living, particularly with regard to medical care.

Council Member Ward stated that the entire Council and the community support this issue.

Council Member Henson asked City Attorney O'Toole whether there was any way to support ensuring that Cintas pays the workers their back wages.

City Attorney O'Toole explained that this is the crux of the litigation. If Cintas loses, they will be required to pay the wages that were due under the contract with the City of Hayward.

Council Member Jimenez noted that he and Council Member Henson walked the picket line to support the workers and protest Cintas actions.

Mayor Cooper thanked Council Member Ward for bringing this forward saying, the City of Hayward has always been in the forefront of social justice. This is a reminder to those who live and do business in Hayward that this is the Council's goal.

It was moved by Council Member Ward, seconded by Council Member Dowling, and unanimously carried to adopt the following:

Resolution 04-033, "Resolution Reaffirming Support of the Living Wage Ordinance"

6. Participation in Lawsuit Challenging State Action Concerning Local Sales Tax

Staff report submitted by City Manager Armas, dated March 16, 2004, was filed.

City Manager Armas explained that 10 years or so ago, the State started taking away property tax revenue from cities, counties and special districts within the State. The State is now looking at taking more local revenue. The State is proposing using the sales tax revenue to retire the bonds approved for reducing the debt. The proposal is to take away a portion of the one percent sales tax owed to the cities and counties. In turn they propose to return a portion of the property tax equivalent to the amount they plan to take away. Charter cities are challenging the constitutionality of this action. The State Constitution entitles Charter cities to make certain judgments about local services and the use of revenue for those services. This would authorize Hayward to be a member of that lawsuit and to appropriate up to \$16,000 toward that end.

Council Member Hilson clarified that the proposal to backfill the funding with the return of property tax was only guaranteed for the first year.

Council Member Ward said he was puzzled by the lack of response by local elected officials to the plight of local government. He asked what cities have joined this coalition of charter cities.



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City Manager Armas responded that currently thirty-one charter cities have responded and signed on to the lawsuit as well as seven general law cities.

Council Member Henson felt that this was not a "triple flip," but a "quadruple," because of the lack of guarantee for continued backfill. He also expressed concern regarding increased general fund revenues for schools from an "unnamed source." He was afraid the source might end up being the cities.

City Manager Armas indicated that the State is proposing to tap whatever revenue accrues to the State's general fund, and shifting dollars from ERAF and replacing them from unrestricted areas. He noted that Council Member Hilson reminded folks in Sacramento that if they wanted to dedicate a specific revenue source, the State should designate a portion of its six cents of sales tax.

Council Member Jimenez asked about the determination of the amount of \$16,000.

City Manager Armas said this was based on the anticipated total of legal costs. He noted that as the number of plaintiffs increase, the pro rata share will decrease. He reminded members that the sales tax revenue is 40 percent of the City's general fund.

Council Member Rodriquez asked how this amount was derived. She commented that when all in the group contribute and work together the money is well worth it.

Mayor Cooper opened the public hearing at 8:51 p.m.

Barbara Heringer-Swarr commented that this is a giant shell game between the State and the City.

Mayor Cooper closed the public hearing at 8:53 p.m.

It was moved by Council Member Ward, seconded by Council Member Rodriquez, and unanimously carried to adopt the following:

Resolution 04-034, "Resolution Authorizing the City of Hayward's Participation in the Lawsuit Challenging State Action (Triple-Flip Legislation) Concerning Local Sales Tax"

Resolution 04-035, "Resolution Amending Resolution 03-091, as Amended, the Budget Resolution for Fiscal Year 2003-2004, Relating to an Appropriation of Funds to Participate in the Lawsuit Challenging State Action Concerning Local Sales Tax"

### **COUNCIL REPORTS**

There were no	Council	Reports.
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### **ADJOURNMENT**

Mayor Cooper adjourned the meeting at 8:56 p.m.

APPROVED:

Roberta Cooper, Mayor, City of Hayward Chair, Redevelopment Agency

ATTEST:

Angelina Reyes, City Clerk, City of Hayward Secretary, Redevelopment Agency